

ORDINANCE NO. 08-63

AN ORDINANCE OF THE CITY OF LEESBURG, AMENDING THE RETIREMENT PLAN FOR THE GENERAL EMPLOYEES FOR THE CITY OF LEESBURG, ADOPTED PURSUANT TO ORDINANCE NO. 03-57, AS SUBSEQUENTLY AMENDED; PROVIDING FOR AMENDMENT TO THE DEFINITION OF AVERAGE FINAL COMPENSATION TO DISREGARD COMPENSATION PAID AFTER SEPTEMBER 30, 2008, PROVIDING FOR AMENDMENT OF THE DEFINITION OF CREDITED SERVICE TO DISREGARD SERVICE AFTER SEPTEMBER 30, 2008, SO THAT ACCRUED BENEFITS DO NOT INCREASE AFTER SEPTEMBER 30, 2008, "FREEZING" ENTRY/ELIGIBILITY INTO/FOR THE SYSTEM EFFECTIVE THE CLOSE OF BUSINESS ON SEPTEMBER 30, 2008, PROVIDING FOR CESSATION OF ACCRUALS BASED ON SALARY AND SERVICE AFTER SEPTEMBER 30, 2008, PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING ALL ORDINANCES IN CONFLICT HERewith AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Leesburg General Employees are presently provided pension and certain other benefits under Ordinances of the City and;

WHEREAS, the City Commission desires to cease benefit accruals on salary paid and service performed after September 30, 2008,

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF LEESBURG, FLORIDA:

SECTION 1:

The definitions "Average Final Compensation" and "Credited Service" are amended to read as follows:

"Average Final Compensation means one-twelfth (1/12) of the average Salary of the three (3) highest consecutive ~~calendar~~ years of the last ten (10) ~~calendar~~ years of Credited Service prior to Retirement, termination, or death, or the career average as a full-time General Employee, whichever is greater. A year shall be twelve (12) consecutive months.

Average Final Compensation shall not take into account Salary paid after September 30, 2008."

"Credited Service" means the total number of years and fractional parts of years as a General Employee with Member contributions, when required, omitting intervening years or fractional parts of years when such Member was not employed by the City as a General Employee. A Member may voluntarily leave his Accumulated Contributions in the Fund for a period of five (5) years after leaving the employ of the

City pending the possibility of being reemployed as a General Employee, without losing credit for the time that he was a Member of the System. If a Member who is not vested is not reemployed as a General Employee within five (5) years, his Accumulated Contributions will be returned. If a vested Member leaves the employ of the City, his Accumulated Contributions will be returned only upon his written request. Upon return of a Member's Accumulated Contributions, all of his rights and benefits under the System are forfeited and terminated.

For any Member who retires on or after October 1, 1993 with at least fifteen (15) years of Credited Service under this System, the term "Credited Service" shall also include up to a maximum of four (4) years of active military service in the Armed Forces of the United States prior to his employment with the City. However, any Member who previously retired from the Armed Forces of the United States on a continuing military service pension shall not be eligible to receive this additional Credited Services hereunder.

The period of any absence of thirty-one (31) days or more shall be excluded from a Member's Credited Service unless he receives regular compensation from the City during such absence. Any absence of thirty (30) days or less shall be included in such Member's Credited Service.

In the event that a Member of this System has also accumulated Credited Service in another pension system maintained by the City, then such other Credited Service shall be used in determining vesting as provided for in Section 9, and for determining eligibility for early or normal retirement. Such other Credited Service will not be considered in determining benefits under this System. Only his Credited Service and Salary under this System on or after his date of membership in this System will be considered for benefit calculation. In addition, any benefit calculation for a Member of this System who is or becomes eligible for a benefit from this System after he has become a member of another pension system maintained by the City, shall be based upon the Member's Average Final Compensation, Credited Service and the benefit accrual rate as of the date the Member ceases to be a General Employee.

Notwithstanding anything herein to the contrary, for purposes of determining a Member's Normal Retirement Benefit, Credited Service shall not include service with the City after September 30, 2008. Credited Service after September 30, 2008, shall, however, be taken into consideration for vesting and benefit entitlement purposes.

SECTION 2

Paragraph 1 of SECTION 2. MEMBERSHIP is amended to read as follows:

1. Conditions of Eligibility. Effective the close of business on September 30, 2008, the eligibility provisions of this System shall be "frozen" and this System shall not allow or enroll any new Members.

SECTION 3

Paragraph 2 of SECTION 6. BENEFIT AMOUNTS AND ELIGIBILITY is amended to read as follows:

Normal Retirement Benefit.

- A. For Plan Years beginning before October 1, 2008, a Member retiring hereunder on or after his normal retirement date shall receive a monthly benefit which shall commence on the first day of the

month coincident with or next following his Retirement and be continued thereafter during Member's lifetime and ceasing upon death. The monthly retirement benefit shall equal two percent (2%) of Average Final Compensation for each year of Credited Service up to a maximum of forty-five (45) years.

B. For Plan Years beginning after September 30, 2008, a Member retiring hereunder on or after his normal retirement date shall receive a monthly benefit which shall commence on the first day of the month coincident with or next following his Retirement and be continued thereafter during Member's lifetime and ceasing upon death. The monthly retirement benefit shall consist of:

(1) two percent (2%) of Average Final Compensation for each year of Credited Service prior to October 1, 2008, up to a maximum of forty-five (45) years; and

(2) zero per cent (0%) of Average Final compensation for each year of Credited Service after September 30, 2008.

SECTION 4: Specific authority is hereby granted to codify and incorporate this Ordinance in the existing Code of Ordinances of the City of Leesburg.

SECTION 5: All Ordinances or parts of Ordinances in conflict herewith be and the same are hereby repealed.


SECTION 6: If any section, subsection, sentence, clause, phrase of this ordinance, or the particular application thereof shall be held invalid by any court, administrative agency, or other body with appropriate jurisdiction, the remaining section, subsection, sentences, clauses, or phrases under application shall not be affected thereby.

SECTION 7: That this Ordinance shall become effective upon its adoption.

PASSED AND ADOPTED ON SECOND READING, 15th day of July, 2008.


Mayor

ATTEST:


City Clerk